

WISCONSIN STATE
LEGISLATURE COMMITTEE
HEARING RECORDS

1995-96

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on
Veterans and
Military Affairs
(AC-VMA)

Sample:

Record of Comm. Proceedings ... RCP

- 05hr_AC-Ed_RCP_pt01a
- 05hr_AC-Ed_RCP_pt01b
- 05hr_AC-Ed_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **95hr_ab0016_AC-VMA_pt01**

➤ Miscellaneous ... Misc

➤

➤ Record of Comm. Proceedings ... RCP

➤ **



TERRY M. MUSSER

State Representative
92nd Assembly District

TO: ALL LEGISLATORS

FROM: REPRESENTATIVE TERRY MUSSER

DATE: DECEMBER 15, 1994

RE: CO-SPONSORING LRB 1274/1, NATIONAL GUARD PREMIUMS

AB-16

I will be introducing simple adjustment legislation on behalf of nine former WI National Guard Technicians.

In 1966, these technicians were changed from federal to state employees. In 1971, all state employees were granted the right to convert accumulated unused sick leave to post-retirement health insurance premiums.

Because of an omission, the technicians did not receive credit for unused sick leave while they were federal employees.

This legislation grants those technicians credit for unused sick leave before 1966, for payment of health insurance premiums upon retirement.

Analysis by the Legislative Reference Bureau

On January 1, 1966, a national guard technician who was employed in Wisconsin became a state employe and began to accrue sick leave under the state civil service system and retirement benefits under the Wisconsin retirement fund (WRF), a predecessor to the Wisconsin retirement system (WRS), for all state service performed on or after that date. A national guard technician, however, was not given sick leave credit for unused sick leave that he or she had accumulated before January 1, 1966, and was not given creditable service under WRF for service in Wisconsin as a national guard technician that was performed before that date. On October 17, 1971, a national guard technician was granted creditable service under WRF for all service in Wisconsin as a national guard technician that was performed before 1966, but was not given sick leave credit for unused sick leave that he or she had accumulated before 1966.

On July 1, 1972, each state employe who was covered under WRF and who was eligible for coverage under the state group health insurance program (state plan) gained the right to have his or her accumulated unused sick leave converted at the time of retirement, at his or her current basic pay rate, to credits for the payment of postretirement health insurance premiums under the state plan. Consequently, beginning on July 1, 1972, a national guard technician gained the right to convert to

postretirement health insurance credits only his or her unused sick leave that had accumulated for service performed on or after January 1, 1966.

This bill grants credit for the payment of postretirement health insurance premiums under the state plan to a current or former public employe who is eligible for coverage under the state plan or, if the employe is deceased, to the surviving dependents of the employe who are eligible for coverage under the state plan, at the employe's basic pay rate immediately prior to termination of all creditable service under WRS, for the accumulated unused sick leave earned by the employe for service performed in Wisconsin as a national guard technician prior to 1966, if all of the following apply:

1. The employe terminated all of his or her creditable service under WRS on or after July 1, 1972.

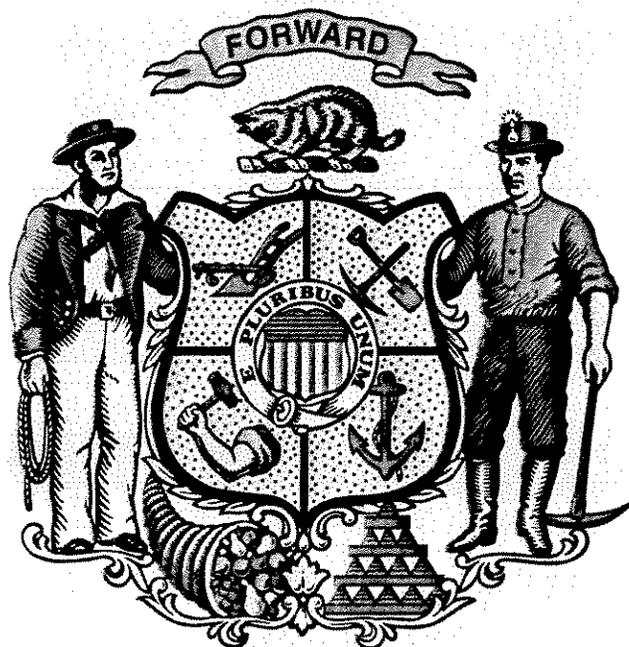
2. The employe or the employe's surviving insured dependents submit an application to the department of employe trust funds (DETF) within the first 6 months after the date on which the bill becomes law. The application must include evidence satisfactory to DETF to establish the applicant's rights under the bill and the amount of the accumulated unused sick leave that is eligible for the conversion.

Under the bill, the sick leave is converted to credits at the time of retirement if the eligible employe is employed in a position covered under WRS on the date on which the bill becomes law, or on the last day of the 2nd month beginning after the date on which DETF receives the application for the conversion if the eligible employe has terminated all creditable service before the date on which the bill becomes law.

This bill will be referred to the joint survey committee on retirement systems for a detailed analysis, which will be printed as an appendix to the bill.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

If you are interested in co-sponsoring this legislation, please contact my office (6-7461) by Friday, January 7, 1995.





State of Wisconsin / DEPARTMENT OF MILITARY AFFAIRS

OFFICE OF THE ADJUTANT GENERAL

P O BOX 8111
MADISON 53708-8111
TELEPHONE 608 242-3000
DSN 724-3000

January 31, 1995

Human Resources Office

Mr. Blair Testin
Director of Retirement Research
Dept. of Employee Trust Funds

Dear Mr. Testin:

The following information is provided as requested by state retiree Donald Erickson pertaining to 1995 Senate Bill 33 and Assembly Bill 16.

Your research on 1993-94 Senate Bill 489 indicated that 14 former National Guard Technicians were effected. This letter certifies only eight of the original 14 could benefit from SB33 and AB 16. Those not eligible are:

(1) Transferred their earned sick leave to federal civil service: Hugh Simonson (deceased), James C. Buccholtz, and Hugh R. Danforth.

(2) Melvin Lange had no earned sick leave remaining.

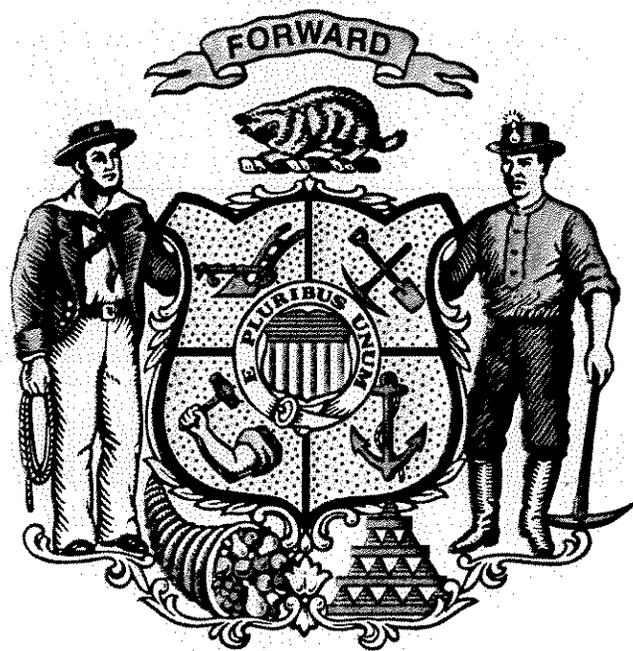
(3) No record of earned sick leave for Elwood Broughton available.

(4) Chris Nielsen converted to State Service in 1967. Federal sick leave record is incomplete. Left state service in 1984.

If further information is necessary, please contact Jerry Klongland, 608-242-3707 or Terry Yeazel, 608-242-3163.

Sincerely,


Roger L. Brill
Colonel
Human Resources Officer



State Representative
TERRY M. MUSSER 92nd Assembly District
CHAIR, Veterans and Military Affairs Committee



December 18, 1995

Dear Representative / Senator:

Please accept the enclosed testimony in support of Assembly Bill 16 which I introduced, and is scheduled for a public hearing tomorrow.

I will not be able to attend due to another hearing in Poynette.

I also am enclosing a letter in support of Senate Bill 27 and Assembly Bill 99.

Thank you.

Sincerely yours,

Terry Musser
State Representative
92nd Assembly District

State Representative

TERRY M. MUSSER

92nd Assembly District



CHAIR, Veterans and Military Affairs Committee

TESTIMONY IN SUPPORT OF ASSEMBLY BILL 16

DECEMBER 19, 1995

Dear Representative Klusman, Senator Petak, and Committee Members:

Thank you for holding a public hearing on Assembly Bill 16.

Often times the legislature faces legislation which is referred to as "adjustment" legislation. It is the aftermath of legislation passed in a prior floor period and a correction must be made to execute the intent of the new law.

Assembly Bill 16 is simple adjustment legislation for nine Wisconsin National Guard Technicians.

In 1966 Wisconsin National Guard Technicians were converted from federal to state employees and in 1971 they were granted creditable service under the Wisconsin Retirement Fund for their employment before 1966.

When state employees were granted the right to convert their accumulated sick leave to post-retirement health insurance premiums, an omission occurred. Nine National Guard Technicians did not receive credit for their accumulated unused sick leave prior to 1966, during the period they were federal employees.

Assembly Bill 16 corrects that omission and will entitle these citizens to benefits equal to that which all state employees enjoy. This legislation creates fairness.

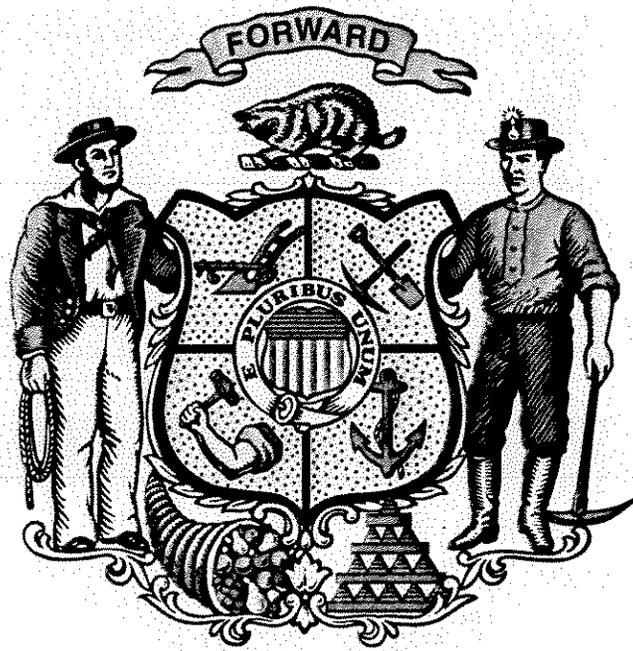
Assembly Bill 16 is legislation that is honorable for the nine deserving citizens that it will affect.

Thank you and I strongly urge you to recommend this bill for passage.

Sincerely yours,

Terry Musser
State Representative
92nd Assembly District

Madison Office: P.O. Box 8953, Madison, WI 53708 608-266-7461
District Office: Route 1, Box 98, Black River Falls, WI 54615 608-488-2955





State Representative
Judith A. Klusman
Assistant Majority Leader

January 18, 1996

Representative Terry M. Musser
State Capitol, Room 11 West
Madison, WI 53701

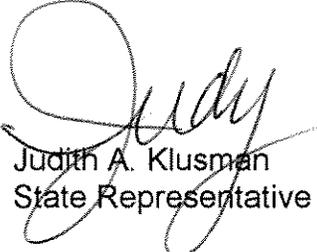
Dear Terry,

At the January 12th meeting of the Joint Survey Committee on Retirement Systems, the committee found that AB 16/ SB 33 represents good public policy and recommended its passage.

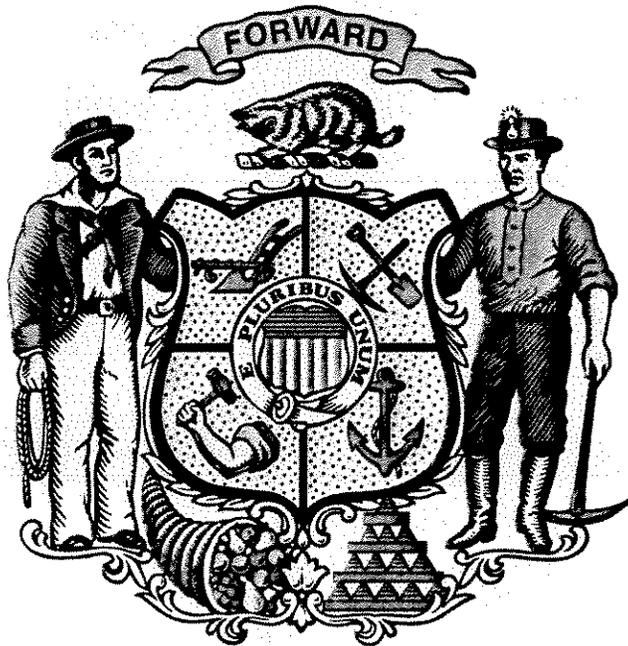
Regarding AB 99/SB 27 the Retirement Research Committee, at the suggestion of Blair Testin, has formed a sub-committee to review the protective classification. Enclosed for your review is Mr. Testin's outline for the protective classification study and a brief outline of the protective designation in past sessions.

do we have any
I would appreciate any input you may have regarding this issue. Please contact me or any of the sub committee members. Your office will be notified of the meetings and I encourage your insight.

Sincerely,


Judith A. Klusman
State Representative

Enclosures



February 5, 1996

MEMORANDUM FOR *Rep. Musser (11-W)*

SUBJECT: Assembly Bill 16

FROM: Don Erickson (Retired State Employee)
Former WI National Guard Technician
203 W. Lakeview Ave.
Madison, WI 53716
(608) 222-5876

Enclosed find background information on Assembly Bill 16 scheduled for a hearing Wednesday, February 7, by your Veterans Affairs Committee. We thought this material would save you some time in preparing for the hearing.

This legislation will correct an oversight from some years ago and will establish equity for this unique group of state employees.

On behalf of the eight former WI National Guard Technicians affected by AB 16, we look forward to meeting with you February 7.

Enclosures
Background Information

Jandy Drew -

BACKGROUND INFORMATION
(Earned/Unused Sick Leave - NG Technicians)

- a. Report of Joint Survey Committee on Retirement Systems, and Fiscal Estimate.
- b. Department of Military Affairs letter, dated 9 November 1994, listing those former NG Technicians who would be eligible for this one-time earned sick leave conversion credit at time of state retirement.
- c. Chart showing current data on each of the former NG Technicians including current state employee status.
- d. Time frame data showing the projected year and amount of conversion money needed for each of the eligible state employees.
- e. Extract from Wisconsin Statutes which previously granted retirement credit for those same technician years of service.
- f. Extract from NG Technician Act of 1968 (90th Congress) stating that NG Technicians were considered state employees prior to January 1969, the date NG Technicians, nation-wide, became Federal Civil Service employees with all benefits earned as technicians.

STATE OF WISCONSIN

APPENDIX TO 1995 ASSEMBLY BILL 16

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Representatives Musser, Dobyms, Hanson, Boyle, Lehman, Schneider, Johnsrud, Ladwig, Owens, Turner, Hahn, Gard, Silbaugh, Kreibich, Vander Loop and Gronemus; cosponsored by Senators Zien, Risser, Drzewiecki, Breske, C. Potter and Andrea.) An Act to amend 40.02 (22)(f), 40.04 (10) and 40.05 (4)(b); and to create 20.515 (1)(b) and 40.05 (4)(bf) of the statutes; relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 16 represents good public policy, and the Committee recommends its passage.

PURPOSE OF THE BILL

This bill relates to National Guard technicians who were employed in Wisconsin and became state employees on January 1, 1966. Such employees commenced earning creditable service under the Wisconsin Retirement Fund (WRF) and also sick leave credits as then provided by law. These technicians were later granted retroactive service credit under the WRF for service before January 1, 1966, but they were not granted their accumulated sick leave credits that had been earned while employed as a National Guard technician before that date.

The purpose of this bill is to grant credit for unused sick leave accumulated in National Guard employment within Wisconsin before the date of January 1, 1966. Such accumulated sick leave credits, if adequate evidence is provided to the Employee Trust Funds, could then be used to pay post-retirement health insurance premiums under the state's accumulated sick leave credit conversion (ASLCC) plan.

Some of the effected technicians have already terminated their covered employment, and the bill provides for an appropriation under s. 20.515, Stats. to presumably cover the costs of those participants who are no longer in covered employment.

- 2 -

ACTUARIAL EFFECT

This bill would increase the actuarial liabilities of the state's ASLCC plan. Funding for the additional accrued liabilities would presumably come from an appropriation under s. 20.515, Stats. for those technicians who have already terminated their employment, and the remaining costs would be added to the regular employer costs to fund the ASLCC plan.

PROBABLE COST

Based upon information furnished by the Dept. of Military Affairs, it is assumed that eight WRS participants or their beneficiaries may be effected by this legislation, of which four are presumed to be still employed. It is further assumed that about 3,522 hours of accumulated sick leave credits would newly qualify for possible conversion to pay health insurance premiums after retirement. Of this total, about 1,365 hours relate to active employees and 2,165 hours to annuitants.

The value of the converted sick leave credits would be determined based on the hourly pay rates in effect at retirement. This report assumes that the total value for active and annuitant participants would not exceed \$71,000. The bill provides for a sum sufficient appropriation under s. 20.515 (1)(b) to cover the conversion costs presumably for affected "retired state employees".

PUBLIC POLICY

National Guard technicians who were employed in Wisconsin became state employees on January 1, 1966, pursuant to session law. As such, they became eligible for the various fringe benefit programs for state employees including the Wisconsin Retirement Fund (WRF) and sick leave credits. At a later date the legislature extended retroactive retirement service credit to such technicians for service performed before 1966. However, this retroactive legislative did not grant similar credits for unused sick leave that had been accumulated for service as National Guard technicians in the State of Wisconsin before January 1, 1966.

The State's accumulated sick leave credit conversion (ASLCC) plan became effective on July 1, 1972, and it provides that unused sick leave accumulations at the time of retirement may be converted under certain conditions to pay health insurance premiums after retirement until the account is exhausted. The credits are converted at retirement to a dollar value based upon the base salary at the time of termination.

The purpose of this legislation is to grant sick leave credits for sick leave that had been accumulated before 1/1/66, if adequate evidence of such accumulation is furnished to the DETF.

- 3 -

This legislation could effect about eight active or retired participants or the beneficiaries thereof, with a probable maximum cost of \$71,000 for accumulated sick leave credits. This legislation would establish equity for this unique group of state employees who have not received such recognition to this date.

RECOMMENDATION

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 16 represents good public policy, and the Committee recommends its passage.

1/12/96

Sen. Zien

Risser

1995 Session

- ORIGINAL
- UPDATED
- CORRECTED
- SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.

S.B. 33 0065

Amendment No. if Applicable

FISCAL ESTIMATE
DOA-2048 N(R10/94)

Subject
Unused Sick Leave Credits for National Guard Technician Service Before 1966

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to Absorb Within Agency's Budget Yes No
- Decrease Costs

Local: No local government costs

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

Fund Sources Affected: GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations: 20.515

Assumptions Used in Arriving at Fiscal Estimate

This bill relates to National Guard technicians employed in Wisconsin who became state employees on January 1, 1966. The bill would grant credit for unused sick leave accumulated in such employment before 1966 for purposes of the state's conversion program at retirement to pay health insurance premiums. This bill requires the participants to furnish acceptable evidence of accumulated unused sick leave before 1966.

For purposes of this fiscal note, it is assumed that 8 WRS participants or their beneficiaries may be effected by this legislation, of which four are presumed to be still employed. It is further assumed that about 3,522 hours of accumulated sick leave credits would newly qualify for possible conversion to pay health insurance premiums after retirement. Of this total, about 1,365 hours relate to active employees and 2,165 hours to annuitants.

The value of the converted sick leave credits would be determined based on the hourly pay rates in effect at retirement. This fiscal note assumes that the total value for active and annuitant participants would not exceed \$71,000. The bill provides for a sum sufficient appropriation under s. 20.515 (1)(b) to cover the conversion costs for affected "retired state employees".

Note: This bill should perhaps be clarified as to how, when, and to whom the s. 20.515 appropriation applies.

sum sufficient

Long-Range Fiscal Implications
s. 20.515 sum sufficient appropriation.

Agency/Prepared by: (Name & Phone No.) Jt. Survey Comm. on Retirement Systems	Authorized Signature/Telephone No: <i>Blair Testin</i> Blair Testin 6-3019	Date 5/9/95
--	--	----------------

FISCAL ESTIMATE WORKSHEET

1995 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
S.B. 33

Amendment No.

Subject
Unused Sick Leave Credits for National Guard Technician Service Before 1966

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:		Annualized Fiscal impact on State funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	\$ -
(FTE Position Changes)		(FTE)	(- FTE)
State Operations - Other Costs			-
Local Assistance			-
Aids to Individuals or Organizations			-
TOTAL State Costs by Category		\$	\$ -
B. State Costs by Source of Funds			
GPR		Increased Costs Under \$ 71,000	Decreased Costs \$ -
FED		-	-
PRO/PRS			-
SEG/SEG-S			-
III. State Revenues -			
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
GPR Taxes		Increased Rev. \$	Decreased Rev. \$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
TOTAL State Revenues		\$	\$ -

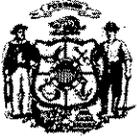
NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS \$ Under 71,000 \$ _____

NET CHANGE IN REVENUES \$ _____ \$ _____



State of Wisconsin / DEPARTMENT OF MILITARY AFFAIRS

P O BOX 8111
MADISON 53708-8111
TELEPHONE 608 242-3000
DSN 724-3000

OFFICE OF THE ADJUTANT GENERAL

WING-HR

9 November 1994

MEMORANDUM FOR Donald D. Erickson, 203 W. Lakeview Avenue, Madison, WI 53716

SUBJECT: Former National Guard Technicians

1. Listed below are the former National Guard Technicians who converted from Technician status to State of Wisconsin employment prior to 1 January 1969 and the hours of earned sick leave credited at the time of that conversion.

Donald D. Erickson	875 hours
Lewis C. Greenelsh	670 hours
Donald O. Ross	544 hours
James J. Lison	540 hours
Donald O. Boe	334 hours
James A. Maynard	237 hours
Leo M. Skille	72 hours
Vincent T. Fitzgerald	250 hours (est.)

2. Official records of this earned, unused sick leave as National Guard Technicians are on file at this office for any verification needed.

FOR THE ADJUTANT GENERAL:


ROGER L. BRILL
COL, GS, WIARNG
Dir, Human Resources

Name - Former National Guard Technicians	Years as Technician	Current Status	Actual or Projected Retirement Date	Current Age	Earned/Unused Sick Leave Hours	Estimated Conversion Dollars	Phone Number	Home Address/ Place of Employment
Donald D. Erickson	14	Retired	1/4/90	67	875	\$17,500	222- 5876	203 W. Lakeview Ave. Madison, WI 53716 Retired
Lewis C. Greenelsh	8	Retired	1/2/87	71	670	\$10,050	(307) 324-7038	162 El Rancho Dr. Rawlings, WY 82301 Retired
Donald O. Ross	8	State Employee	2000	61	544	\$10,880	222- 6808	5209 Academy Drive Madison, WI 53716 UW Madison, Engineering
James J. Lison	5	Retired	4/28/83	75	540	\$12,960	833- 1202	310 Yosemite Trail Madison, WI 53705 Retired
Donald O. Boe	5	State Employee	1997	64	334	\$7,682	271- 8629	1402 Winslow Lane Madison, WI 53711 UW Madison, Physical Plant
James A. Maynard	3	State Employee	2005	55	237	\$5,451	274- 2855	5770 Devoro Road Madison, WI 53711 UW Madison, Space Science
Leo M. Skille	1	Retired	3/19/93	67	72	\$1,440	271- 4780	5145 Loruth Terrace Madison, WI 53711 Retired
Vincent T. Fitzgerald	3	State Employee	2005	55	250 (est.)	\$5,000	271- 6328	1118 Starflight Drive Madison, WI 53711 UW Madison, Chemistry

Conversion Time-frame Data Chart

Four of the eight state employees have already retired. They would need the following amount of sick leave conversion dollars in the year indicated (year is based on when other accumulated hours of converted sick leave will be used up).

Name	No. Hours	Hourly Rate	Total Dollars	Projected Year Dollars Needed
Erickson	875	\$20	\$17,500	1996
Greenelsh	670	\$15	\$10,050	1999
Lison	540	\$24	\$12,960	2001
Skille	72	\$20	\$1,440	2009
Total Dollars			\$41,950	

Four have not yet retired. They would be converting the following hours of earned sick leave to pay for health insurance premiums at about the time-frames shown.

Name	No. Hours	Hourly Rate	Total Dollars	Planned Retirement Year
Boe	334	\$23 (est.)	\$7,682 (est.)	1997
Fitzgerald	250 (est.)	\$20 (est.)	\$5,000 (est.)	2005
Ross	544	\$20 (est.)	\$10,880 (est.)	2000
Maynard	237	\$23 (est.)	\$5,451 (est.)	2005
Total Dollars			\$29,013 (est.)	

Total Conversion Dollars Needed \$70,963 (est.)

(4) This section shall supersede any provision of law in conflict therewith but shall not diminish the rights and privileges of employes appointed to the unclassified service from the classified service prior to April 30, 1972.

History: 1971 c. 270 s. 69; Stats. 1971 s. 16.27; 1973 c. 12; 1975 c. 189, 421; 1977 c. 196 ss. 56, 130 (5); 1977 c. 273; Stats. 1977 s. 230.33; 1983 a. 27 s. 2200 (15); 1991 a. 269.

230.335 Rights of unclassified division administrators. If any employe in a classified position of division administrator is made unclassified under chapter 196, laws of 1977, and if the incumbent division administrator is not thereafter appointed to such position, or if the incumbent is hired and subsequently terminated for any reason except just cause, the incumbent division administrator shall have appointment rights, including bumping if necessary, to a comparable or lower level position which is within the agency wherein the division administrator position is located. The incumbent shall have 90 days after notice of termination to exercise such appointment rights.

History: 1977 c. 196.

230.337 Rights of employes: corrections or parole.

(1) Except as provided in sub. (2), if the position of any employe who serves in a classified position in the department of health and social services on January 1, 1990, is transferred and is unclassified under 1989 Wisconsin Act 31, and if the incumbent to the position is not thereafter appointed to the unclassified position, or if the incumbent is appointed to the unclassified position and subsequently terminated for any reason except just cause, the incumbent shall have restoration rights and reinstatement privileges, including the right of displacement if necessary, to a position having a comparable or lower pay rate or range for which the person is qualified in the department of corrections or the division of hearings and appeals in the department of administration. In case of termination, the incumbent shall have 90 days after notice of termination to exercise the rights and privileges.

(2) If any incumbent member of the parole board in the office of the secretary of health and social services on January 1, 1990, in a classified position is not appointed to the parole commission created by 1989 Wisconsin Act 31, or if the incumbent member is appointed to the commission and subsequently terminated for any reason except just cause, the incumbent member shall have restoration rights and reinstatement privileges, including the right of displacement if necessary, to a position having a comparable or lower pay rate or range for which the person is qualified which is within the department of corrections, as created by 1989 Wisconsin Act 31, or the department of health and social services. In the case of termination, the incumbent shall have 90 days after notice of termination to exercise the rights and privileges. The rights and privileges granted under this subsection are subject to the terms of any collective bargaining agreement that covers the incumbent parole board members.

History: 1989 a. 31, 107.

230.34 Demotion, suspension, discharge and lay-off. (1) (a) An employe with permanent status in class or an employe who has served with the state or a county, or both, as an assistant district attorney for a continuous period of 12 months or more may be removed, suspended without pay, discharged, reduced in base pay or demoted only for just cause.

(am) If an employe fails to report for work as scheduled or to contact his or her supervisor, the appointing authority may discipline the employe. If an employe fails to report for work as scheduled, or to contact his or her supervisor for a minimum of 5 consecutive working days, the appointing authority shall consider the employe's position abandoned and may discipline the employe or treat the employe as having resigned his or her position. If the appointing authority decides to treat the position abandonment as a resignation, the appointing authority shall notify the employe in writing that the employe is being treated as having effectively resigned as of the end of the last day worked.

(ar) Paragraphs (a) and (am) apply to all employes with permanent status in class in the classified service and all employes who have served with the state or a county, or both, as an assistant district attorney for a continuous period of 12 months or more, except that for employes specified in s. 111.81 (7) (a) in a collective bargaining unit for which a representative is recognized or certified, or for employes specified in s. 111.81 (7) (b) or (c) in a collective bargaining unit for which a representative is certified, if a collective bargaining agreement is in effect covering employes in the collective bargaining unit, the determination of just cause and all aspects of the appeal procedure shall be governed by the provisions of the collective bargaining agreement.

(b) No suspension without pay shall be effective for more than 30 days. The appointing authority shall, at the time of any action under this section, furnish to the employe in writing the reasons for the action.

(c) The secretary shall establish guidelines for uniform application of this authority among the various agencies.

(2) Employes with permanent status in class in permanent, seasonal and seasonal positions in the classified service and employes serving a probationary period in such positions after promotion or transfer may be laid off because of a reduction in force due to a stoppage or lack of work or funds or owing to material changes in duties or organization but only after all original appointment probationary and limited term employes in the classes used for layoff, are terminated.

(a) The order of layoff of such employes may be determined by seniority or performance or a combination thereof or by other factors.

(b) The administrator shall promulgate rules governing layoffs and appeals therefrom and alternative procedures in lieu of layoff to include voluntary and involuntary demotion and the exercise of a displacing right to a comparable or lower class, as well as the subsequent employe right of restoration or eligibility for reinstatement.

(2m) Employes in positions funded by nonstate funds made available contingent on special employe eligibility requirements such as length of prior unemployment, specific occupational disadvantages or need for remedial work experience, shall be exempt from inclusion with the employes whose positions are in classes considered for layoff under sub. (2). In the case of reduction in force in such nonstate funded positions, layoffs and layoff procedures established pursuant to the rules of the administrator may be limited to employes whose positions are dependent upon specific funding contingencies.

(3) The appointing authority shall confer with the administrator relative to a proposed layoff a reasonable time before the effective date thereof in order to assure compliance with the rules.

(4) Resignations shall be regulated by the rules of the secretary.

History: 1971 c. 270 ss. 61, 76; Stats. 1971 s. 16.28; 1975 c. 189, 200; 1977 c. 196 ss. 56, 130 (3), (5); 1977 c. 273; Stats. 1977 s. 230.34; 1979 c. 221; 1981 c. 140; 1983 a. 27 s. 2200 (15); 1989 a. 31.

On an appeal from discharge the appointing officer has the burden of persuasion that the discharge was for a just cause and the facts must be established to a reasonable certainty by the greater weight or clear preponderance of the evidence. *Reinke v. Personnel Board*, 53 W (2d) 123, 191 NW (2d) 833.

In deciding the issue of cause for termination, it is necessary to determine the specific requirements of the individual governmental position. *Safransky v. Personnel Board*, 62 W (2d) 464, 215 NW (2d) 379.

Trial court erroneously applied evidentiary standards required in discharge cases to review of layoff case. *Weaver v. Wis. Pers. Bd.* 71 W (2d) 46, 237 NW (2d) 183.

Public employment is a property right for those given tenure by operation of civil service regulations or laws. *Vorwald v. School Dist. of River Falls*, 167 W (2d) 549, 482 NW (2d) 93 (1992).

230.35 State office hours; standard workweek; leaves of absence; holidays. (1) (a) Except as provided in subs. (1m) and (1r), appointing authorities shall grant to each person in their employ, except limited-term employes, based on accumulated continuous state service, annual leave of absence without loss of pay at the rate of:

1. Eighty hours each year for a full year of service during the first 5 years of service;

2. One hundred twenty hours each year for a full year of service during the next 5 years of service;

2m. One hundred thirty-six hours each year for a full year of service during the next 5 years of service;

3. One hundred sixty hours each year for a full year of service during the next 5 years of service;

3m. One hundred seventy-six hours each year for a full year of service during the next 5 years of service;

4. Two hundred hours each year for a full year of service after 25 years of service.

(b) An employe, with the approval of his or her appointing authority, may anticipate the annual leave which he or she could earn during the current calendar year except that no employe shall be eligible to take annual leave until he or she has completed the first 6 months of a probationary period for an original appointment.

(c) When the rate of annual leave changes during the 5th, 10th, 15th, 20th or 25th calendar year, the annual leave for that year shall be prorated.

(d) Annual leaves of absence shall not be cumulative except under sub. (1p) and except that unused annual leave shall, subject to the rules of the secretary, be used in the year following the one in which it was earned, but no employe shall lose any unused annual leave because the employe's work responsibilities prevented the usage of the unused annual leave during the first 6 months of the year following the year in which it was earned.

(e) Permanent classified employes, permanent part-time employes and seasonal employes with permanent seasonal status in class who are regularly employed for less than 12 months out of a year shall be granted proportional annual leave consistent with par. (a). These employes, with the approval of their appointing authority, may anticipate the vacation which they will earn during their current period of employment.

(f) An employe under this subsection earns annual leave any time he or she is on temporary layoff for a period not to exceed 20 working days.

(g) The continuous service of an employe eligible for annual leave shall not be considered interrupted if the employe either:

1. Was on an approved leave of absence, including but not limited to military leave, leave to serve in the unclassified service, leave for absence due to injury or illness arising out of state employment and covered by ch. 102; or

2. Left the service through resignation or layoff and is reemployed or recalled within 3 years.

(gm) Each employe of the state on October 17, 1971 shall be granted credit towards accumulated continuous service for all service in Wisconsin as a national guard technician which has not been credited under any other provision of this section.

(h) The length of time between an employe's resignation and reemployment under par. (g) 2. shall not be counted in computing years of continuous service under this subsection. Employes subject to par. (e) shall be deemed to have completed one full year of service for each such seasonal, sessional or other part-time annual period of service in computing years of continuous service under this subsection.

(j) The appointing authority shall respect the wishes of the eligible employes as to the time of taking their annual leave insofar as the needs of the service will permit.

(m) Payment for any unused authorized leave to which an employe is entitled upon termination, shall be made in a separate and distinct amount.

(1m) (a) Employes appointed to any of the following positions shall be entitled to annual leave of absence at the rate provided under par. (bt):

1. A career executive position under the program established under s. 230.24.

2. A position designated in s. 19.42 (10) (L) or 20.923 (4), (4m), (8) and (9).

3. A position authorized under s. 230.08 (2) (e).

4. A position designated as an attorney position in which the employe is employed and acts as an attorney, unless the attorney position is a limited term appointment under s. 230.26.

(bt) An employe appointed to a position listed under par. (a) shall be entitled to annual leave of absence without loss of pay based upon accumulated continuous state service at the rate of:

1. 120 hours each year for a full year of service during the first 5 years of service;

2. 160 hours each year for a full year of service during the next 5 years of service;

3. 176 hours each year for a full year of service during the next 5 years of service;

4. 200 hours each year for a full year of service during the next 5 years of service;

5. 216 hours each year for a full year of service after 20 years of service.

(e) Employes who previously were covered under sub. (1) (a), or other statutory provision regarding annual leave, who become subject to this subsection shall have their present continuous service credits for annual leave purposes applied to the career executive schedule at the appropriate rate. In no case shall the employe receive a reduction in annual leave hours earned by such change in schedules.

(eb) An employe under this subsection earns annual leave any time he or she is on temporary layoff for a period not to exceed 20 working days.

(f) The continuous service of an employe eligible for annual leave under this subsection shall not be considered interrupted if the employe leaves the service and is reemployed by the state in another position covered under this subsection. If reemployed in a position not covered under this subsection the employe shall be required to meet the continuous service requirements of sub. (1) (g). This paragraph applies to all persons who are employes covered under this subsection on or after July 1, 1973.

(1p) (a) Employes at the 160-hour or 176-hour rate under sub. (1) or (1m) may, in the year earned, elect to receive not more than 40 of those hours of earned annual leave as credit for termination leave or as accumulated sabbatical leave.

(b) Employes at the 200-hour or 216-hour rate under sub. (1) or (1m) may, in the year earned, elect to receive not more than 80 of those hours of earned annual leave among one or more of these options:

1. Not to exceed 40 hours in cash;

3. As credit for termination leave;

4. As accumulated sabbatical leave.

(c) Employes with less than the 160-hour rate under sub. (1) or (1m) who have accumulated, at any time during the employe's continuous state service, a minimum of 520 hours of sick leave may elect to receive not more than 40 hours of earned annual leave as credit for termination leave or as accumulated sabbatical leave or both. An election under this paragraph shall be made in the year in which the annual leave is earned.

(1r) A state officer elected by the people may take vacation without loss of pay. No such state officer is entitled to payment for unused annual leave.

(2) Leave of absence with pay owing to sickness and leave of absence without pay, other than annual leave and leave under s. 103.10, shall be regulated by rules of the secretary, except that unused sick leave shall accumulate from year to year. After July 1, 1973, employes appointed to career executive positions under the program established under s. 230.24 or positions designated in s. 19.42 (10) (L) or 20.923 (4), (4m), (8) and (9) or authorized under s. 230.08 (2) (e) shall have any unused sick leave credits restored if they are reemployed in a career executive position or in a position under s. 19.42 (10) (L) or 20.923 (4), (4m), (8) and

Calendar No. 1426

90TH CONGRESS }
2d Session }

SENATE }

REPORT
No. 1446

NATIONAL GUARD TECHNICIAN ACT OF 1968

JULY 22, 1968.—Ordered to be printed

MR. STENNIS, from the Committee on Armed Services,
submitted the following

REPORT

[To accompany S. 3865]

The Committee on Armed Services, having had under consideration the question of legislation affecting the National Guard technicians, reports the following bill (S. 3865), the National Guard Technician Act of 1968, and recommends that it do pass.

PURPOSE OF LEGISLATION

In authorizing Federal employee status for the National Guard technicians, the purpose of this legislation is—

- (a) To provide a retirement and fringe benefit program which will be both uniform and adequate;
- (b) To recognize the military requirements and the State characteristics of the National Guard by providing for certain statutory administrative authority at the State level with respect to the technician program;
- (c) To clarify the technician's legal status which in certain areas has been the subject of conflicting court decisions, especially on the matter of whether technicians are covered under the Federal Tort Claims Act regarding third party actions against the U.S. Government.

BASIC PROBLEM JUSTIFYING LEGISLATION

The technicians, now numbering about 42,000, are full-time civilian employees of the National Guard whose salaries are paid in full by the Federal Government and who must meet all the mental and physical standards as well as professional qualifications prescribed by the military departments. About 95 percent of the technicians are

required to hold concurrent National Guard membership as a condition for their civilian employment. The concept of the technician program is that the technicians will serve concurrently in three different ways: (a) Perform full-time civilian work in their units; (b) perform military training and duty in their units; and (c) be available to enter active Federal service at any time their units are called.

Despite uniformity with respect to salaries and required standards there has been no program, on a uniform national basis for a retirement and fringe benefits program for technicians. The technicians except for those in the District of Columbia, are considered State employees. About 16,000 or 40 percent are covered under Federal retirement systems which may be combined with the social security program. About 24,000 depend on social security alone for their civilian retirement coverage. It should be noted that a total of 92 percent of the technicians, however, are covered under social security which may be combined with State retirement programs.

The fringe benefit program of technicians, such as group health and group life insurance, is dependent solely on coverage which may vary from no coverage to whatever may be provided for other State employees.

In addition there is the matter of clarifying the precise legal status of the technicians to prevent conflicting court decisions regarding third party claims against the Government arising out of accidents within the scope of employment.

SUMMARY OF LEGISLATION

This bill implements the purpose by converting the technicians to Federal employee status with certain controls on administration and supervision which would as a matter of law remain at the State level. In effect, the technicians will become Federal employees receiving the salaries, fringe and retirement benefits, but with certain administrative control regarding employment supervision remaining with the adjutants general of the jurisdiction concerned under regulations prescribed by the Secretary concerned.

The principal features of this bill which are later discussed in detail may be summarized by item as follows:

(a) A broadened statutory scope of the technician employment program thereby eliminating the permanent provisions of law relating to "caretakers and clerks" which have been suspended by various appropriation acts.

(b) Conversion of National Guard technicians to a Federal employee status with the authority for requiring National Guard membership as a condition for civilian employment. About 95 percent of the technician force would be in this latter category. Federal status would be in the noncompetitive category for this group.

(c) Conversion of technician positions to classified or wage board Federal positions.

(d) Requirement for adjutants general to be the sole agent for employment and administration of technician program under regulations prescribed by the Secretary concerned.

(e) Provision for final level of appeal in adjutants general for all technicians for certain adverse personnel actions.

(f) Provision for termination of civilian employment upon loss of Guard membership, failure to meet military security standards, or separation for cause, with requirement of 30 days' notice by adjutants general prior to termination.

(g) Provision for nonapplication of veterans preference provisions for technicians because of the military nature of the National Guard program.

(h) Provision for compensatory time off in lieu of overtime and differential pay for technicians (other than those assigned to operational duties at air defense sites) which is the practice under the present program.

~~(i) Credit for past technician service for Federal employee purposes with respect to leave, Federal employee death and injury compensation, group health and life insurance, severance pay, tenure, and status.~~

(j) Credit for past technician service in full for civil service retirement eligibility purposes but with a limit of 55 percent for retirement computation purposes.

(k) Provision of election to remain under a State retirement system with the consent of the State in lieu of coming under Federal civil service system.

(l) Permissive authority to retain technician Reserve officers until age 60.

(m) Provision requiring technicians to be in the program either now or in the future in order to receive credit for past technician service.

(n) An effective date of Jan. 1, 1969 for legislation.

PRESENT TECHNICIAN EMPLOYMENT AND RETIREMENT PROGRAM

Legal status

Except for those in the District of Columbia National Guard, technicians are considered employees of the State. Their salaries, however, are paid from Federal funds based on comparable classified and blue-collar Federal rates.

By regulations about 95 percent of the technicians are required to be military members of the National Guard as a condition for their civilian technician employment.

Number of technicians as of January 1, 1968

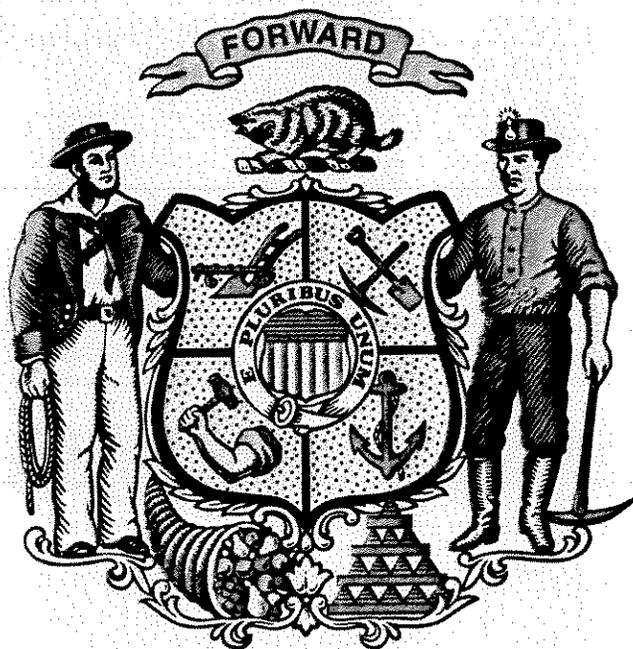
There were 40,546 technicians employed throughout the various States on a full-time civilian basis with about 95 percent required to hold dual status in the National Guard as a condition for employment.

Of this total approximately 18,000 occupied positions comparable to the general schedule rates with about 22,000 holding so-called blue-collar positions and receiving pay under rates comparable to the Federal wage board schedules.

Salaries of technicians

For the technicians paid at comparable general schedule rates, the range is from the equivalent of GS-1 through GS-14. As of July 1, 1968, this range is from GS-1 (\$3,889 to \$5,057) to GS-14 (\$16,946 to \$22,031). The average salary for all technicians (male and female) as of January 1, 1968, was \$7,696.

With regard to special pays, overtime, differential and premium pay, none is authorized under the present system, only compensatory time off.



111-W

February 22, 1996

MEMORANDUM FOR Joint Finance Committee Members

SUBJECT: Assembly Bill 16/Senate Bill 33

FROM: Donald Erickson (Retired State Employee)
Former WI National Guard Technician
203 W. Lakeview Ave.
Madison, WI 53716

Enclosed find background information on companion legislation, Assembly Bill 16 and Senate Bill 33. We thought this material would save you some time in preparing for a hearing on these bills.

This bipartisan legislation, which has a very small fiscal estimate, will correct an oversight from some years ago and will provide equity for this unique group of state employees.

On behalf of the eight former WI National Guard Technicians affected by AB 16 and SB 33, we look forward to meeting with you at the earliest possible hearing date.

Enclosures
Background Information

Info copies:
Representative Musser
Senator Zien

BACKGROUND INFORMATION

(Earned/Unused Sick Leave - NG Technicians)

- a. Reports of Joint Survey Committee on Retirement Systems, Assembly Veterans and Military Affairs Committee, and Senate State Government Operations and Corrections Committee, concerning hearings on Assembly Bill 16 and Senate Bill 33.
- b. Fiscal Estimate.
- c. Department of Military Affairs letter listing those former NG Technicians who would be eligible for this one-time sick leave conversion credit at time of state retirement.
- d. Chart showing current data on each of the former NG Technicians including state employment status.
- e. Chart showing the projected year and amount of conversion money needed, based on four of the eight retired and four still employed.
- f. Extract from Wisconsin Statutes previously granting retirement credit for those same technician years of state service.
- g. Extract from NG Technician Act of 1968 (90th Congress) verifying that NG Technicians were considered state employees.

STATE OF WISCONSIN

APPENDIX TO 1995 ASSEMBLY BILL 16

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Representatives Musser, Dobyms, Hanson, Boyle, Lehman, Schneider, Johnsrud, Ladwig, Owens, Turner, Hahn, Gard, Silbaugh, Kreibich, Vander Loop and Gronemus; cosponsored by Senators Zien, Risser, Drzewiecki, Breske, C. Potter and Andrea.) An Act to amend 40.02 (22)(f), 40.04 (10) and 40.05 (4)(b); and to create 20.515 (1)(b) and 40.05 (4)(bf) of the statutes; relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 16 represents good public policy, and the Committee recommends its passage.

PURPOSE OF THE BILL

This bill relates to National Guard technicians who were employed in Wisconsin and became state employees on January 1, 1966. Such employees commenced earning creditable service under the Wisconsin Retirement Fund (WRF) and also sick leave credits as then provided by law. These technicians were later granted retroactive service credit under the WRF for service before January 1, 1966, but they were not granted their accumulated sick leave credits that had been earned while employed as a National Guard technician before that date.

The purpose of this bill is to grant credit for unused sick leave accumulated in National Guard employment within Wisconsin before the date of January 1, 1966. Such accumulated sick leave credits, if adequate evidence is provided to the Employee Trust Funds, could then be used to pay post-retirement health insurance premiums under the state's accumulated sick leave credit conversion (ASLCC) plan.

Some of the effected technicians have already terminated their covered employment, and the bill provides for an appropriation under s. 20.515, Stats. to presumably cover the costs of those participants who are no longer in covered employment.

- 2 -

ACTUARIAL EFFECT

This bill would increase the actuarial liabilities of the state's ASLCC plan. Funding for the additional accrued liabilities would presumably come from an appropriation under s. 20.515, Stats. for those technicians who have already terminated their employment, and the remaining costs would be added to the regular employer costs to fund the ASLCC plan.

PROBABLE COST

Based upon information furnished by the Dept. of Military Affairs, it is assumed that eight WRS participants or their beneficiaries may be effected by this legislation, of which four are presumed to be still employed. It is further assumed that about 3,522 hours of accumulated sick leave credits would newly qualify for possible conversion to pay health insurance premiums after retirement. Of this total, about 1,365 hours relate to active employees and 2,165 hours to annuitants.

The value of the converted sick leave credits would be determined based on the hourly pay rates in effect at retirement. This report assumes that the total value for active and annuitant participants would not exceed \$71,000. The bill provides for a sum sufficient appropriation under s. 20.515 (1)(b) to cover the conversion costs presumably for affected "retired state employees".

PUBLIC POLICY

National Guard technicians who were employed in Wisconsin became state employees on January 1, 1966, pursuant to session law. As such, they became eligible for the various fringe benefit programs for state employees including the Wisconsin Retirement Fund (WRF) and sick leave credits. At a later date the legislature extended retroactive retirement service credit to such technicians for service performed before 1966. However, this retroactive legislative did not grant similar credits for unused sick leave that had been accumulated for service as National Guard technicians in the State of Wisconsin before January 1, 1966.

The State's accumulated sick leave credit conversion (ASLCC) plan became effective on July 1, 1972, and it provides that unused sick leave accumulations at the time of retirement may be converted under certain conditions to pay health insurance premiums after retirement until the account is exhausted. The credits are converted at retirement to a dollar value based upon the base salary at the time of termination.

The purpose of this legislation is to grant sick leave credits for sick leave that had been accumulated before 1/1/66, if adequate evidence of such accumulation is furnished to the DETF.

- 3 -

This legislation could effect about eight active or retired participants or the beneficiaries thereof, with a probable maximum cost of \$71,000 for accumulated sick leave credits. This legislation would establish equity for this unique group of state employees who have not received such recognition to this date.

RECOMMENDATION

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 16 represents good public policy, and the Committee recommends its passage.

1/12/96

1995-96

LRB-0065/1

STATE OF WISCONSIN

APPENDIX TO 1995 SENATE BILL 33

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Senators Zien, Risser, Drzewiecki, Breske, Schultz, Helbach, A. Lasee, Andrea and C. Potter; cosponsored by Representatives Musser, Schneider, Johnsrud, Owens, Boyle, Dobyms, Hanson, Lehman, Turner, Hahn, Gard, Kreibich, Vander Loop and Silbaugh.) An Act to amend 40.02 (22) (f), 40.04 (10) and 40.05 (4) (b); and to create 20.515 (1) (b) and 40.05 (4) (bf) of the statutes; relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Senate Bill 33 represents good public policy, and the Committee recommends its passage.

ASSEMBLY
COMMITTEE REPORT

The committee on Veterans and Military Affairs reports:

Assembly Bill 16

AN ACT relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation. Introduced by Representatives Musser, Dobyns, Hanson, Boyle, Lehman, Schneider, Johnsrud, Ladwig, Owens, Turner, Hahn, Gard, Silbaugh, Kreibich, Vander Loop, and Gronemus; cosponsored by Senators Zien, Risser, Drzewiecki, Breske, C. Potter, and Andrea.

Moved by Representative Vander Loop, seconded by Representative Zukowski that Assembly Bill 16 be recommended for passage.

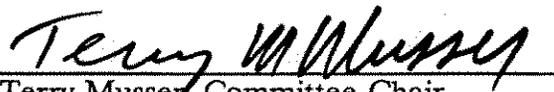
Ayes: (9) Representatives Musser, Zukowski, Dobyns, Skindrud, Lorge, Ryba, Boyle, Baldus, and Vander Loop.

Noes: (0) None.

Absent: (0) None.

Motion carried: Passage recommended.

Passage: Ayes (9), Noes (0), Absent (0)


Terry Mussey, Committee Chair

Senate

Senate Bill 33

January 25, 1996

February 15, 1996

February 15, 1996

Record of Committee Proceedings

(Senators Zien, Risser, Drzewiecki, Breske, Schultz, Helbach, Lasec, Andrea and Potter; cosponsored by Representatives Musser, Schneider, Johnsrud, Owens, Boyle, Dobyms, Hanson, Lehman, Turner, Hahn, Gard, Kreibich, Vander Loop and Silbaugh by request of Don Erickson) AN ACT relating to granting credit for the payment of postretirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

Referred to the senate committee on State Government Operations and Corrections.

PUBLIC HEARING HELD

Present: (4) Senators Drzewiecki, Lasec, Moen, and Breske.

Absent: (1) Senator Fitzgerald.

Appearances for the Bill

- Don Erickson, for himself, Madison, Wisconsin.
- Andrew Schuster, Department of Military Affairs, Madison, Wisconsin.

Appearances against the Bill

None.

Appearances for Information Only

None.

Registrations for the Bill

- James J. Lison, Jr., for himself, Madison, Wisconsin.
- Leo Skille, for himself, Madison, Wisconsin.
- Donald Boe, for himself, Madison, Wisconsin.
- Mary Erickson, for herself, Madison, Wisconsin.
- Donald Ross, for himself, Madison, Wisconsin.
- Senator David Zien, 23rd Senate District.

Registrations against the Bill

None.

EXECUTIVE SESSION HELD

Present: (4) Senators Drzewiecki, Lasec, Moen and Breske.

Absent: (1) Senator Fitzgerald.

Moved by Senator Breske, seconded by Senator Moen that Senate Bill 33 be recommended for passage.

Ayes: (4) Senators Drzewiecki, Lasec, Moen and Breske.

Noes: (0) None.

Absent: (1) Senator Fitzgerald.

Motion carried: passage recommended.

PASSAGE: Ayes 4, Noes 0, Absent 1.

Sen. Zien

Risser

1995 Session

FISCAL ESTIMATE
DOA-2048 N(R10/94)

- ORIGINAL
- CORRECTED
- UPDATED
- SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
S.B. 33 0065
Amendment No. if Applicable

Subject

Unused Sick Leave Credits for National Guard Technician Service Before 1966

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues

Decrease Costs

Local: No local government costs

- 1. Increase Costs
 - Permissive
 - Mandatory
- 2. Decrease Costs
 - Permissive
 - Mandatory

- 3. Increase Revenues
 - Permissive
 - Mandatory
- 4. Decrease Revenues
 - Permissive
 - Mandatory

5. Types of Local Governmental Units Affected:
- Towns
 - Villages
 - Cities
 - Counties
 - Others _____
 - School Districts
 - WTCS Districts

Fund Sources Affected

- GPR
- FED
- PRO
- PRS
- SEG
- SEG-S

Affected Ch. 20 Appropriations
20.515

Assumptions Used in Arriving at Fiscal Estimate

This bill relates to National Guard technicians employed in Wisconsin who became state employees on January 1, 1966. The bill would grant credit for unused sick leave accumulated in such employment before 1966 for purposes of the state's conversion program at retirement to pay health insurance premiums. This bill requires the participants to furnish acceptable evidence of accumulated unused sick leave before 1966.

For purposes of this fiscal note, it is assumed that 8 WRS participants or their beneficiaries may be effected by this legislation, of which four are presumed to be still employed. It is further assumed that about 3,522 hours of accumulated sick leave credits would newly qualify for possible conversion to pay health insurance premiums after retirement. Of this total, about 1,365 hours relate to active employees and 2,165 hours to annuitants.

The value of the converted sick leave credits would be determined based on the hourly pay rates in effect at retirement. This fiscal note assumes that the total value for active and annuitant participants would not exceed \$71,000. The bill provides for a sum sufficient appropriation under s. 20.515 (1)(b) to cover the conversion costs for affected "retired state employees".

Note: This bill should perhaps be clarified as to how, when, and to whom the s. 20.515 appropriation applies.

Long-Range Fiscal Implications

s. 20.515 sum sufficient appropriation.

Agency/Prepared by: (Name & Phone No.)

Jt. Survey Comm. on Retirement Systems

Authorized Signature/Telephone No:

Blair Testin

Blair Testin 6-3019

Date

5/9/95

FISCAL ESTIMATE WORKSHEET

1995 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No. S.B. 33	Amendment No.
--	---------------

Subject
Unused Sick Leave Credits for National Guard Technician Service Before 1966

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	Under \$ 71,000	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues -	Increased Rev.	Decreased Rev.
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ <u>Under 71,000</u>	\$ _____
NET CHANGE IN REVENUES	\$ _____	\$ _____

Agency/Prepared by: (Name & Phone No.) Jt. Survey Committee on Retirement Systems	Authorized Signature/Telephone No. <i>Blair Testin</i> Blair Testin 6-3019	Date 5/9/95
--	--	----------------



State of Wisconsin / DEPARTMENT OF MILITARY AFFAIRS

OFFICE OF THE ADJUTANT GENERAL

P O BOX 8111
MADISON 53708-8111

TELEPHONE 608 242-3000
DSN 724-3000

WING-HR

9 November 1994

MEMORANDUM FOR Donald D. Erickson, 203 W. Lakeview Avenue, Madison, WI 53716

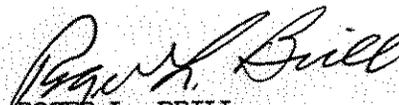
SUBJECT: Former National Guard Technicians

1. Listed below are the former National Guard Technicians who converted from Technician status to State of Wisconsin employment prior to 1 January 1969 and the hours of earned sick leave credited at the time of that conversion.

Donald D. Erickson	875 hours
Lewis C. Greenelsh	670 hours
Donald O. Ross	544 hours
James J. Lison	540 hours
Donald O. Boe	334 hours
James A. Maynard	237 hours
Leo M. Skille	72 hours
Vincent T. Fitzgerald	250 hours (est.)

2. Official records of this earned, unused sick leave as National Guard Technicians are on file at this office for any verification needed.

FOR THE ADJUTANT GENERAL:


ROGER L. BRILL
COL, GS, WIARNG
Dir, Human Resources

Name - Former National Guard Technicians	Years as Technician	Current Status	Actual or Projected Retirement Date	Current Age	Earned/Unused Sick Leave Hours	Estimated Conversion Dollars	Phone Number	Home Address/ Place of Employment
Donald D. Erickson	14	Retired	1/4/90	67	875	\$17,500	222- 5876	203 W. Lakeview Ave. Madison, WI 53716 Retired
Lewis C. Greenelsh	8	Retired	1/2/87	71	670	\$10,050	(307) 324-7038	162 El Rancho Dr. Rawlings, WY 82301 Retired
Donald O. Ross	8	State Employee	2000	61	544	\$10,880	222- 6808	5209 Academy Drive Madison, WI 53716 UW Madison, Engineering
James J. Lison	5	Retired	4/28/83	75	540	\$12,960	833- 1202	310 Yosemite Trail Madison, WI 53705 Retired
Donald O. Boe	5	State Employee	1997	64	334	\$7,682	271- 8629	1402 Winslow Lane Madison, WI 53711 UW Madison, Physical Plant
James A. Maynard	3	State Employee	2005	55	237	\$5,451	274- 2855	5770 Devoro Road Madison, WI 53711 UW Madison, Space Science
Leo M. Skille	1	Retired	3/19/93	67	72	\$1,440	271- 4780	5145 Loruth Terrace Madison, WI 53711 Retired
Vincent T. Fitzgerald	3	State Employee	2005	55	250 (est.)	\$5,000	271- 6328	1118 Starflight Drive Madison, WI 53711 UW Madison, Chemistry

Conversion Time-frame Data Chart

Four of the eight state employees have already retired. They would need the following amount of sick leave conversion dollars in the year indicated (year is based on when other accumulated hours of converted sick leave will be used up).

Name	No. Hours	Hourly Rate	Total Dollars	Projected Year Dollars Needed
Erickson	875	\$20	\$17,500	1996
Greenelsh	670	\$15	\$10,050	1999
Lison	540	\$24	\$12,960	2001
Skille	72	\$20	\$1,440	2009
Total Dollars			\$41,950	

Four have not yet retired. They would be converting the following hours of earned sick leave to pay for health insurance premiums at about the time-frames shown.

Name	No. Hours	Hourly Rate	Total Dollars	Planned Retirement Year
Boe	334	\$23 (est.)	\$7,682 (est.)	1997
Fitzgerald	250 (est.)	\$20 (est.)	\$5,000 (est.)	2005
Ross	544	\$20 (est.)	\$10,880 (est.)	2000
Maynard	237	\$23 (est.)	\$5,451 (est.)	2005
Total Dollars			\$29,013 (est.)	

Total Conversion Dollars Needed \$70,963 (est.)

1. Eighty hours each year for a full year of service during the first 5 years of service;

2. One hundred twenty hours each year for a full year of service during the next 5 years of service;

2m. One hundred thirty-six hours each year for a full year of service during the next 5 years of service;

3. One hundred sixty hours each year for a full year of service during the next 5 years of service;

3m. One hundred seventy-six hours each year for a full year of service during the next 5 years of service;

4. Two hundred hours each year for a full year of service after 25 years of service.

(b) An employe, with the approval of his or her appointing authority, may anticipate the annual leave which he or she could earn during the current calendar year except that no employe shall be eligible to take annual leave until he or she has completed the first 6 months of a probationary period for an original appointment.

(c) When the rate of annual leave changes during the 5th, 10th, 15th, 20th or 25th calendar year, the annual leave for that year shall be prorated.

(d) Annual leaves of absence shall not be cumulative except under sub. (1p) and except that unused annual leave shall, subject to the rules of the secretary, be used in the year following the one in which it was earned, but no employe shall lose any unused annual leave because the employe's work responsibilities prevented the usage of the unused annual leave during the first 6 months of the year following the year in which it was earned.

(e) Permanent classified employes, permanent part-time employes and seasonal employes with permanent seasonal status in class who are regularly employed for less than 12 months out of a year shall be granted proportional annual leave consistent with par. (a). These employes, with the approval of their appointing authority, may anticipate the vacation which they will earn during their current period of employment.

(f) An employe under this subsection earns annual leave any time he or she is on temporary layoff for a period not to exceed 20 working days.

(g) The continuous service of an employe eligible for annual leave shall not be considered interrupted if the employe either:

1. Was on an approved leave of absence, including but not limited to military leave, leave to serve in the unclassified service, leave for absence due to injury or illness arising out of state employment and covered by ch. 102; or

2. Left the service through resignation or layoff and is reemployed or recalled within 3 years.

(gm) Each employe of the state on October 17, 1971 shall be granted credit towards accumulated continuous service for all service in Wisconsin as a national guard technician which has not been credited under any other provision of this section.

(h) The length of time between an employe's resignation and reemployment under par. (g) 2. shall not be counted in computing years of continuous service under this subsection. Employes subject to par. (e) shall be deemed to have completed one full year of service for each such seasonal, sessional or other part-time annual period of service in computing years of continuous service under this subsection.

(j) The appointing authority shall respect the wishes of the eligible employes as to the time of taking their annual leave insofar as the needs of the service will permit.

(m) Payment for any unused authorized leave to which an employe is entitled upon termination, shall be made in a separate and distinct amount.

(1m) (a) Employes appointed to any of the following positions shall be entitled to annual leave of absence at the rate provided under par. (bt):

1. A career executive position under the program established under s. 230.24.

2. A position designated in s. 19.42 (10) (L) or 20.923 (4), (4m), (8) and (9).

3. A position authorized under s. 230.08 (2) (e).

4. A position designated as an attorney position in which the employe is employed and acts as an attorney, unless the attorney position is a limited term appointment under s. 230.26.

(bt) An employe appointed to a position listed under par. (a) shall be entitled to annual leave of absence without loss of pay based upon accumulated continuous state service at the rate of:

1. 120 hours each year for a full year of service during the first 5 years of service;

2. 160 hours each year for a full year of service during the next 5 years of service;

3. 176 hours each year for a full year of service during the next 5 years of service;

4. 200 hours each year for a full year of service during the next 5 years of service;

5. 216 hours each year for a full year of service after 20 years of service.

(e) Employes who previously were covered under sub. (1) (a), or other statutory provision regarding annual leave, who become subject to this subsection shall have their present continuous service credits for annual leave purposes applied to the career executive schedule at the appropriate rate. In no case shall the employe receive a reduction in annual leave hours earned by such change in schedules.

(eb) An employe under this subsection earns annual leave any time he or she is on temporary layoff for a period not to exceed 20 working days.

(f) The continuous service of an employe eligible for annual leave under this subsection shall not be considered interrupted if the employe leaves the service and is reemployed by the state in another position covered under this subsection. If reemployed in a position not covered under this subsection the employe shall be required to meet the continuous service requirements of sub. (1) (g). This paragraph applies to all persons who are employes covered under this subsection on or after July 1, 1973.

(1p) (a) Employes at the 160-hour or 176-hour rate under sub. (1) or (1m) may, in the year earned, elect to receive not more than 40 of those hours of earned annual leave as credit for termination leave or as accumulated sabbatical leave.

(b) Employes at the 200-hour or 216-hour rate under sub. (1) or (1m) may, in the year earned, elect to receive not more than 80 of those hours of earned annual leave among one or more of these options:

1. Not to exceed 40 hours in cash;

3. As credit for termination leave;

4. As accumulated sabbatical leave.

(c) Employes with less than the 160-hour rate under sub. (1) or (1m) who have accumulated, at any time during the employe's continuous state service, a minimum of 520 hours of sick leave may elect to receive not more than 40 hours of earned annual leave as credit for termination leave or as accumulated sabbatical leave or both. An election under this paragraph shall be made in the year in which the annual leave is earned.

(1r) A state officer elected by the people may take vacation without loss of pay. No such state officer is entitled to payment for unused annual leave.

(2) Leave of absence with pay owing to sickness and leave of absence without pay, other than annual leave and leave under s. 103.10, shall be regulated by rules of the secretary, except that unused sick leave shall accumulate from year to year. After July 1, 1973, employes appointed to career executive positions under the program established under s. 230.24 or positions designated in s. 19.42 (10) (L) or 20.923 (4), (4m), (8) and (9) or authorized under s. 230.08 (2) (e) shall have any unused sick leave credits restored if they are reemployed in a career executive position or in a position under s. 19.42 (10) (L) or 20.923 (4), (4m), (8) and

Calendar No. 1426

90TH CONGRESS }
2d Session

SENATE

{ REPORT
No. 1446

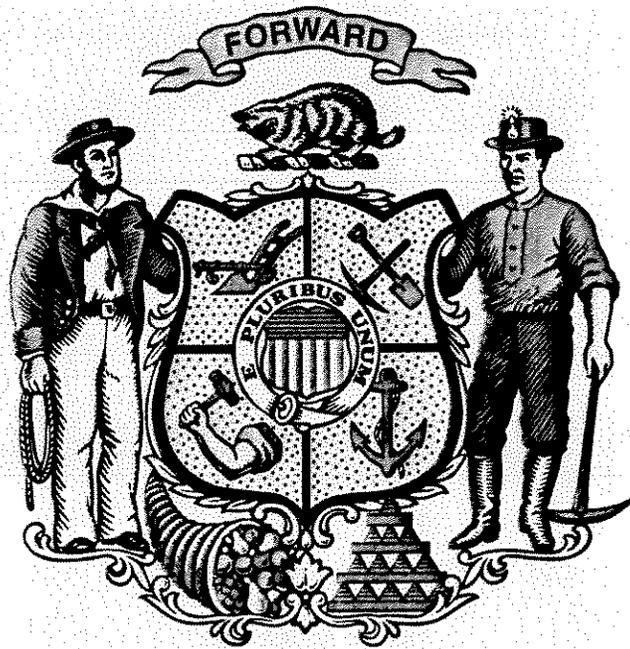
NATIONAL GUARD TECHNICIAN ACT OF 1968

PRESENT TECHNICIAN EMPLOYMENT AND RETIREMENT PROGRAM

Legal status

Except for those in the District of Columbia National Guard, technicians are considered employees of the State. Their salaries, however, are paid from Federal funds based on comparable classified and blue-collar Federal rates.

By regulations about 95 percent of the technicians are required to be military members of the National Guard as a condition for their civilian technician employment.



March 11, 1996

MEMORANDUM FOR

(Delivered to all Co-Sponsors)

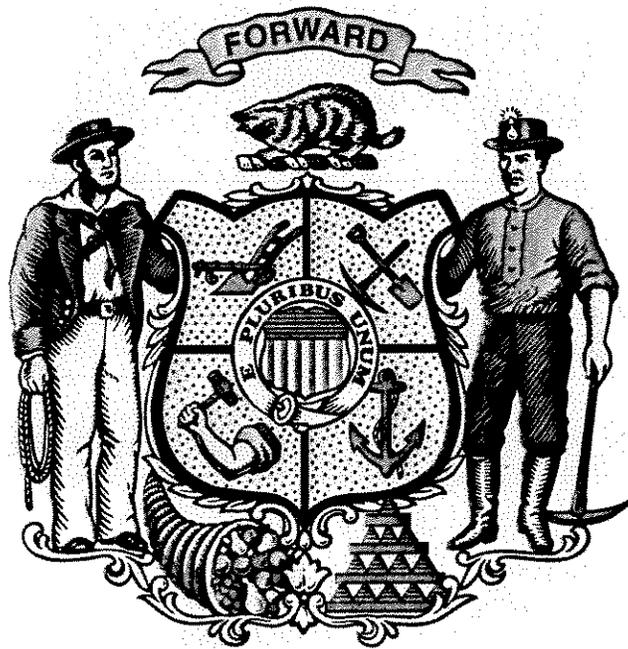
SUBJECT: Assembly Bill 16

FROM: Donald Erickson (Retired State Employee)
Former WI National Guard Technician
203 W. Lakeview Ave.
Madison, WI 53716

The following bill, which you have co-sponsored, has been approved by the Joint Survey Committee on Retirement Systems, and the Assembly Committee on Veterans and Military Affairs voted 9-0 approval. It is now at Joint Finance.

AB 16, relating to granting credit for the payment of post-retirement health insurance premiums for accumulated unused sick leave earned by National Guard Technicians prior to 1966.

On behalf of the eight former WI National Guard Technicians affected by AB 16, along with companion bill SB 33, we respectfully urge you to contact the co-chairs of Joint Finance to get them to act on this legislation now.



March 25, 1996

MEMORANDUM FOR

SUBJECT: Assembly Bill 16
(Companion Bill SB 33)

FROM: Donald Erickson (Retired State Employee)
Former WI National Guard Technician
203 W. Lakeview Ave.
Madison, WI 53716
(608) 222-5876

The following bill, which has been approved by the Joint Survey Committee on Retirement Systems, the Assembly Committee on Veterans and Military Affairs (9-0), and the Joint Finance Committee (13-0), should be scheduled for floor debate this week.

AB 16 (Companion Bill SB 33), relating to granting credit for the payment of post-retirement health insurance premiums for accumulated unused sick leave earned by National Guard Technicians prior to 1966.

On behalf of the eight former WI National Guard Technicians affected by AB 16 (Companion Bill SB 33), we respectfully ask for your support in passing this legislation which represents good public policy and establishes equity for this unique group of state employees.

Enclosure
Report of Joint Survey Committee
on Retirement Systems

STATE OF WISCONSIN

APPENDIX TO 1995 ASSEMBLY BILL 16

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Representatives Musser, Dobyms, Hanson, Boyle, Lehman, Schneider, Johnsrud, Ladwig, Owens, Turner, Hahn, Gard, Silbaugh, Kreibich, Vander Loop and Gronemus; cosponsored by Senators Zien, Risser, Drzewiecki, Breske, C. Potter and Andrea.) An Act to amend 40.02 (22)(f), 40.04 (10) and 40.05 (4)(b); and to create 20.515 (1)(b) and 40.05 (4)(bf) of the statutes; relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 16 represents good public policy, and the Committee recommends its passage.

PURPOSE OF THE BILL

This bill relates to National Guard technicians who were employed in Wisconsin and became state employees on January 1, 1966. Such employees commenced earning creditable service under the Wisconsin Retirement Fund (WRF) and also sick leave credits as then provided by law. These technicians were later granted retroactive service credit under the WRF for service before January 1, 1966, but they were not granted their accumulated sick leave credits that had been earned while employed as a National Guard technician before that date.

The purpose of this bill is to grant credit for unused sick leave accumulated in National Guard employment within Wisconsin before the date of January 1, 1966. Such accumulated sick leave credits, if adequate evidence is provided to the Employee Trust Funds, could then be used to pay post-retirement health insurance premiums under the state's accumulated sick leave credit conversion (ASLCC) plan.

Some of the effected technicians have already terminated their covered employment, and the bill provides for an appropriation under s. 20.515, Stats. to presumably cover the costs of those participants who are no longer in covered employment.

- 2 -

ACTUARIAL EFFECT

This bill would increase the actuarial liabilities of the state's ASLCC plan. Funding for the additional accrued liabilities would presumably come from an appropriation under s. 20.515, Stats. for those technicians who have already terminated their employment, and the remaining costs would be added to the regular employer costs to fund the ASLCC plan.

PROBABLE COST

Based upon information furnished by the Dept. of Military Affairs, it is assumed that eight WRS participants or their beneficiaries may be effected by this legislation, of which four are presumed to be still employed. It is further assumed that about 3,522 hours of accumulated sick leave credits would newly qualify for possible conversion to pay health insurance premiums after retirement. Of this total, about 1,365 hours relate to active employees and 2,165 hours to annuitants.

The value of the converted sick leave credits would be determined based on the hourly pay rates in effect at retirement. This report assumes that the total value for active and annuitant participants would not exceed \$71,000. The bill provides for a sum sufficient appropriation under s. 20.515 (1)(b) to cover the conversion costs presumably for affected "retired state employees".

PUBLIC POLICY

National Guard technicians who were employed in Wisconsin became state employees on January 1, 1966, pursuant to session law. As such, they became eligible for the various fringe benefit programs for state employees including the Wisconsin Retirement Fund (WRF) and sick leave credits. At a later date the legislature extended retroactive retirement service credit to such technicians for service performed before 1966. However, this retroactive legislative did not grant similar credits for unused sick leave that had been accumulated for service as National Guard technicians in the State of Wisconsin before January 1, 1966.

The State's accumulated sick leave credit conversion (ASLCC) plan became effective on July 1, 1972, and it provides that unused sick leave accumulations at the time of retirement may be converted under certain conditions to pay health insurance premiums after retirement until the account is exhausted. The credits are converted at retirement to a dollar value based upon the base salary at the time of termination.

The purpose of this legislation is to grant sick leave credits for sick leave that had been accumulated before 1/1/66, if adequate evidence of such accumulation is furnished to the DETF.

- 3 -

This legislation could effect about eight active or retired participants or the beneficiaries thereof, with a probable maximum cost of \$71,000 for accumulated sick leave credits. This legislation would establish equity for this unique group of state employees who have not received such recognition to this date.

RECOMMENDATION

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 16 represents good public policy, and the Committee recommends its passage.

1/12/96

1995-96

LRB-0065/1

STATE OF WISCONSIN

APPENDIX TO 1995 SENATE BILL 33

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Senators Zien, Risser, Drzewiecki, Breske, Schultz, Helbach, A. Lasee, Andrea and C. Potter; cosponsored by Representatives Musser, Schneider, Johnsrud, Owens, Boyle, Dobyms, Hanson, Lehman, Turner, Hahn, Gard, Kreibich, Vander Loop and Silbaugh.) An Act to amend 40.02 (22)(f), 40.04 (10) and 40.05 (4)(b); and to create 20.515 (1)(b) and 40.05 (4)(bf) of the statutes; relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Senate Bill 33 represents good public policy, and the Committee recommends its passage.